In the matter of	)
	)
Comprehensive Review of Universal Service Fund Management, Administration, and Oversight	) WC Docket No.05-195
	)
Federal-State Joint Board on Universal Service	)
	) CC Docket No. 96-45
School and Libraries Universal Service Support Mechanism	)
	) CC Docket No. 02-6
	)
	)

Comments and Response to Notice of Proposed Rulemaking and Further Notice of Proposed Rule Making Released on June 14, 2005; Published in Federal Register,
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Since 1996 the South Carolina K12 School Technology Initiative Partnership (K12 Committee) has been charged by the legislature with providing technology infrastructure and encouraging effective use of technology in K12 public schools and libraries throughout the state. This partnership consists of the SC Budget and Control Board's Division of the CIO, committee chairman, the State Department of Education, the State Library, the SC Department of Educational Television, the SC Association of Telecommunications Carriers and Bell South.

This K12 Committee developed the South Carolina Telecommunications Network (STN) which delivers broadband connectivity and internet services to all public schools and libraries in the state. This network is funded by money appropriated by the state legislature and E-rate funds. For this reason any proposed changes in the E-rate process is of vital interest to the delivery of services to our constituency.

Therefore, we respectively request the FCC to consider the following suggestions for streamlining the E-rate program from a STN perspective:

- A State Telecommunications Network should be a separate "type of applicant" entirely rather than grouped as a consortium. STN's are typically authorized by state law to serve public bodies which include schools and libraries. They are the contract managers and billed entities for the e-rate eligible services. They should be exempt from the Letters Of Agencies (LOA's) required of consortia which verifies that each member have knowledge of their membership and participation the consortium process. At best a letter from the Superintendent of the Department of Education and the State Librarian should suffice for such verification.
- Additionally, the detail reporting of participating entities and free and reduced lunch data in Block 4 of the 471, should not be required of STN's when such data is reported on the State department of Education's Web site and certified as accurate by the appropriate officials.
- Annual applications by STN's should be replaced by applications applying to contract length. For example, one application could cover a five year contract and annually the STN would make a projected funding request. It would therefore not be necessary for the contract to be desk audited every year. This would greatly accelerate funding approvals for the larger applicants.
- Compliance to state and local, procurement law, budgetary processes and technology planning should be the responsibility of the state and should be so delegated. Laws and ordinances are in place or could be implemented, to ensure compliance to the requirements of USAC. Certifications should be adequate on the part of state and local government to satisfy desk audit review by USAC as opposed to exchanging bulky copies of documents and meeting artificial deadlines established by the FCC that serve no useful purpose.
- Telecommunications and internet services should be collapsed into a single priority 1 category .
- Telecommunications should be defined to include the latest technology innovations which address VOIP and internet bundling.
- In every report of the E-rate Program the conclusion is reached that the vast majority of waste, fraud and abuse occurs in the acquisition of Priority 2 goods and services(Internal Connections). Corrective action in these reports usually recommends more regulations, more audits, stricter penalties, etc. We believe Priority 2 funding could be distributed nationally on a formula basis without adding to the administrative burden of the state. Like many other grants, safe guards could be built in which could ensure the funds were expended on the goods and services for which it was granted at prices that were fair and reasonable. More importantly the issue of fairness and equity in the distribution of the funds could be addressed rather than

the present process where the applicants with the most aggressive consultants receive the greatest portion of the Internal Connections funding. Oversight of the Priority 2 formulaic distribution would be in full partnership with state and local government and should result in a more effective management of waste, fraud and abuse issues.

We realize this addresses only a small portion of the NPRM. However, we believe in limiting our response to those areas we feel can be fixed in a timely manner serves the interest of the E –rate program best.

Respectively submitted,

Thomas J Fletcher, Chairman
K12 Technology Initiative Committee